

## **SOCIAL RESPONSIBILITY OF UNIVERSITIES**

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In our short time together this morning, I will provide two environmental landmines that most universities must navigate and subsequently two recommendations for your consideration. I am greatly influenced by the role I see Algonquin College playing not only in Canada but literally around the world. As one of Canada's leading polytechnic institutions, our expertise has been sought by countries including China, India, Montenegro, Kuwait and Saudi Arabia among others. We set ourselves apart by the expertise and market knowledge of our faculty and the service orientation of our staff. I would welcome everyone here to visit us in Ottawa should you ever have the opportunity to come to Canada.

### **The Responsibilities of Universities - A Pragmatists View**

Let me first share that although my Board expects me to prepare our institution for the future, I am also a pragmatist; a pragmatist in that our College must err on the side of a future where our goals and initiatives are practical and measurable. Most importantly, and this is a critical point of my views I share here this morning - our purpose and our strategic outcomes must have a tangible impact on the prosperity of our society.

Certainly with the successes that universities have enjoyed through the years, it would seem reasonable that a university's leaders might be comfortable with the status quo. Yet this is the paradox faced by every university today. A paradox whereby the means in which universities have achieved success today are not necessarily the same means that university will enjoy success tomorrow. Universities exist within a global economy that has become ultracompetitive and within a domestic environment that is often resource constrained. Therefore, as an educator and President, I am acutely aware of the deception caused by Higher Education's Paradox. It is in fact what keeps me up at night.

It is the sense of pragmatism I mentioned earlier along with this higher education paradox that has influenced my belief that the responsibilities of universities must continue to change - and if we are not prepared to change because we are already practicing the strategies I am about to describe - then we must be prepared to ensure that our strategic priorities become more clear, more prioritized and more clearly communicated.

### **The Reality of our Environment**

This morning I will share two broad responsibilities for universities in the 21st Century. However before doing so, it may be helpful to frame my position around two insidious environmental trends that are the foundation upon which some measure of university change must be constructed.

#### **1. Increased Rate of Participation.**

In virtually every Country around the world, the number of people participating in higher education has risen dramatically in the past 50 years. I would argue that of all the afflictions facing educational leaders today- enrolment is not one of them. As an example, in the 1950s in Canada only 5% of the population participated in higher education. In the 1970s, we saw this participation rate climb to 20%. We see this everywhere. In Spain, in 1976 200,000 students were in a university.

Today it is 1.6 million. During that same time, the number of university students doubled in many countries. Today, many countries have the expectation that 70% of the population will go on to earn their diploma.

What are the unintended consequences of this global trend towards massification? As a former Dean in a School of Business, when I see a 70% participation rate, I conclude there is a basic economic reality that the university's graduate supply and demand curve will shift to the right. That is, supply is exceeding demand - specifically, in some countries there appears to be an over-supply of graduates for a shrinking number of middle-class jobs. What makes this situation worse is the fact that in many countries we are seeing highly educated graduates who have earned - or who have learned - few professional skills or attained practical knowledge to make them attractive to hiring employers, at least in the short term.

In Canada, a nation of only 35 million people, we are facing the reality - excuse me... some are facing this reality because there are those who embrace the status quo who fail to see this over-supply reality. We now have hundreds of thousands of unemployed university graduates who cannot find work. Just this month, James Mirza-Davies provided a report to our House of Commons that stated the unemployment rate for those aged 16-24 was 20.5%. Although down from the previous year, it is a shockingly high number. Yet, while we have this high unemployment rate and many university graduates appear to be having difficulty finding employment, while carrying debt from four years at university.

While graduates are 'un' or under-employed, employers are reporting that we will soon have jobs that will be vacant because these employers cannot find people with the relevant skills to fill the vacancies. In Canada we sum this up as People without jobs - Jobs without people and this is a reality that we have seen taking place around the world. And so we must ask, what responsibility does a university have with respect to this situation?

## **2. Funding in Decline**

The second environmental trend I cannot ignore is related to public funding of higher education. At a time when enrolment is rising, there is a fiscal reality that public funding support for higher education is generally in decline. Certainly we are living with this reality in Ontario where millions of dollars are being cut from college and university budgets across the province and this is in the province that already funds universities at a lower rate per student than any province in the Country.

However, Ontario is not alone in that we have seen this funding reduction trend in many jurisdictions around the world including almost all European Union Countries including England, Spain, Ireland and Italy. We see cuts in almost every American State, most Canadian Provinces and many other international jurisdictions.

Beyond the obvious challenges that can occur with when reductions in funding are implemented, these funding cuts have created our own version of a "higher education catch-22". That is, as public funding declines, the response by many universities is to maintain spending practices by committing to further enrolment growth. Certainly this helps to offset a revenue pressure. However, this commitment to enrolment growth at both the undergraduate level, and in what some have come to describe as higher education's after-sales market; graduate school is problematic. It is in the latter that universities have become particularly proficient at addressing funding challenges.

In my view this trend is troubling and within this trend of unbounded growth is the myth that our current practice of increased enrolment is good for everyone. From my perspective, simply widening access to undergraduate programs or increasing the number of graduate programs in order to fuel the university machine may be good - and I repeat "may be good" - for the institution in the short-term. However, as leaders in higher education we must ask about what is best for students who are accruing more debt and what about the tax payers who most often underwrite public universities?

At times of shrinking resources, there is a larger picture that must be viewed. As we enroll thousands of students into programs with no apparent linkage to industry needs or solutions to employment pressures, I ask the question of how long will we close our eyes and continue to enroll students under that premise that education is good... or more precisely, "that any education is good" [emphasis added].

I am not against liberal arts and the humanities. In fact, it seems that as time passes, I become even more convinced we need to strengthen our commitment to these programs and extend these learning outcomes deeper into professional and skills-related programs. Yet, at what point will we say we simply do not need more students in many of these programs. Our communities and our countries expect more from us. Our students deserve more from us and I believe that we can do better. And so within the context of those two environmental trends, we must ask the question again; what responsibility do universities have for this situation?

### **The University's Responsibility**

I want to share two themes related to the public responsibility of universities today. Two perspectives that higher education leaders must consider as we set about adapting our institutions within this rapidly changing environment:

#### **I. The University as Economic Catalyst**

I view universities as the economic catalyst of our times. Although some deny it, I believe higher education leaders must embrace the university's responsibility to positively impact long-term economic and social prosperity for the communities we serve. Universities are uniquely positioned to be the community's economic engine and we must rethink how we power this engine in terms of our learning environments and the programs we offer.

I believe, that in a day of declining resources and a marked increase in the need for highly educated, relevant graduates, a university's first responsibility is to educate and prepare graduates who can contribute to the economic prosperity of the community the university was meant to serve. This is not new. 250 years ago Benjamin Franklin - the Father of the Dr. Zemsky's university - the University of Pennsylvania - told us "...students should learn those things that are likely to be most useful.... [with] regard being had to the several professions for which they are intended". His view is as relevant today as it was in the 1700s.

And we do not have to go back 250 years. Here in Kazakhstan, I believe President Nazarbayev has it right when he wrote in his vision for Kazakhstan 2050 that "Vocational and higher education should be oriented to the current and prospective demands of the national economy". The first responsibility of the university must be to serve the student and report after report clearly advises that students want one, overwhelming outcome upon graduation - a Job. Better yet - a Career. The most responsible universities have drawn a

direct line between the student needs and a desired career. This question we seek to answer here today is not as much about the university as it is about our students. To that end, this link to a career and all the public good that is accrued when our citizens are contributing to our economies and our societies is the primary responsibility of the university.

## **2. The University as Innovation Generator**

The second responsibility of a university - or at least a high priority responsibility - is related to the fact that the economic and social prosperity of our communities is directly correlated to the ability to create new products and new services. And so I believe the second responsibility of a university today is that of Innovation Generator.

As higher education Leaders, we must reflect the fact that our organizations are uniquely positioned to serve our communities. They are positioned like no other public or private institution with both the intellectual and capital capacity to drive innovation and therefore national prosperity.

We must continue to invest in research and yet again, I would argue that we require a shift in the research priorities that are being funded by the public purse. Also once again, here in Kazakhstan, I find myself agreeing with President Nazarbayev when he stated, "Higher education institutions should not limit themselves to purely educational functions. They should create and improve their applied science and R&D divisions".

It is this applied R&D where we must demonstrate greater leadership and responsibility. There are too many countries that state their commitment to R & D. However, once again in my humble view, while they are very good at the research side of the equation, they are often poor at the development side of the equation. As a note, I will say Canada is a good example of this reality and we must do a better job of technology transfer and the commercialization of our research efforts. This is a priority at Algonquin College and I will say we are making great strides in this area. Today, we host not one but three Applied Research Days whereby our faculty, staff, students and employer partners come together to show our good work; research that can directly and positively impact the communities we are meant to support.

Why should a university have this responsibility? Let me share one example. I was recently at a conference whereby I listened to Evan Solomon, one of Canada's leading media personalities. Evan shared an interview that he had with Bill Gates - an interview whereby Mr. Gates was in Canada recruiting employees for Microsoft. Think about that. Bill Gates is a man who spends most of his time doing philanthropic work for his Foundation, and yet here he was making time for a recruiting visit to university campuses in Canada. You may ask why?

Well, as described by Solomon, when he asked Gates why he would spend so much of his scarce time in the function of recruiting students, he was quite clear in his response but let me paraphrase Solomon's interpretation:

While Microsoft is a great company... but it missed Google. Imagine, a couple of university students by the names of Sergey Brin and Larry Page launched one of the world's great technology companies (or marketing companies in the view of some people). How did Microsoft miss this opportunity?

Microsoft is a great company... But it also missed out on that social media firm by the name of Facebook. Once again, a university student launched a billion dollar firm out of a university dorm room. Microsoft could not see what Mark Zuckerberg was able to see.

Microsoft is a great company... Yet it also missed Twitter; an idea that was inspired when Jack Dorsey was a university student. Once again... Darn!

What Bill Gates knows today is that at any time, the success of his company and the success of many communities rest in the hands of a 20-year-old with the next new idea. What Mr. Gates also knows is that the best place to find those 20- somethings is on one of our campuses. Universities are uniquely qualified to provide significant capital assets and intellectual power - it is the university's responsibility to serve as a nation's innovation generator.

### **In Closing**

In these times of increased access and declining resources we need to think more broadly about the responsibilities of our universities. Let me end as I started. We do not want to create a series of universities that have the same mission and purpose. Differentiation is not only good; it is necessary. However, in my mind, if I were to prioritize two responsibilities of the university of today, they would be to serve as economic catalyst and play the role of innovation generator.

Thank you.